

SBA News and Views is a monthly publication of the SBA Wisconsin District Office. Its purpose is to provide Wisconsin lenders and small business leaders with up-to-date information on SBA programs and small business issues. It is distributed at no cost, and the reprinting of articles is encouraged

Serving America's Small Businesses

U.S. Small Business Administration Wisconsin District Office

Eric Ness, District Director
June 2007

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SBA Announces New Patriot Express Loan Initiative

**Program Focuses on Military
Community Including Veterans,
Service-disabled, Active-duty in
transition, Reserve and Guard,
Spouses and Related Groups**

The SBA has announced the new **Patriot Express Pilot Loan** as the latest extension to the financial, procurement, and technical assistance programs the agency provides to the military community. Patriot Express is a streamlined loan product based on SBA's highly successful SBA Express Program, but with enhanced guarantee and interest rate characteristics.

"With military activations and extensions having a profound impact on entrepreneurs in the military community, SBA is committed to helping America's service men and women during the continuing War on Terror," SBA Administrator Steven Preston said. "We believe that Patriot Express, supported by SBA's other services, goes directly to the needs of these American Patriots who wish to start businesses, and in the process encourages job creation and growth, an essential part of the President's economic agenda."

"SBA thanks the Presidential Task Force on Returning Global War on Terror Heroes for its guidance and hard work and Veterans Affairs Secretary Jim Nicholson for his devoted leadership," Preston added.

Patriot Express is available to military community members including veterans, service-disabled veterans, and active-duty service members participating in the military's Transition Assistance Program, Reservists and National Guard members, current spouses of any of the above, and the widowed spouse of a service member or veteran who died during service, or of a service-connected disability.

The new Patriot Express Loan is offered by SBA's network of participating lenders nationwide and features SBA's fastest turnaround time for loan approvals. Loans are available up to \$500,000 and qualify for SBA's maximum guaranty of up to 85 percent for loans of \$150,000 or less and up to 75 percent for loans over \$150,000 up to \$500,000. For loans above \$350,000, lenders are required to take all available collateral.

"Patriot Express takes the best from SBA's most popular loan program and made it better by providing access to capital to our Nation's military entrepreneurs who have served or are serving our country," SBA's Wisconsin District Director Eric Ness said.

"The new Patriot Express Loan is a huge marching step in the right direction to help those in the military community and a salute to all those who have or are serving our country," said Wisconsin's SBA Business Development Specialist and Disabled Combat Veteran Joe Rosner who served our country on a gunboat in River Assault Squadron 15 on the inland waterways of Viet Nam.

The Patriot Express Loan can be used for most business purposes, including start-up, expansion, equipment purchases, working capital, inventory, or business-occupied real estate purchases. Patriot Express Loans feature SBA's lowest interest rates for business loans, generally 2.25 percent to 4.75 percent over prime depending upon the size and maturity of the loan. Wisconsin's SBA District offices have a listing of Patriot Express lenders for our area. Details on the initiative can be found at www.sba.gov/patriotexpress.

Recently, the SBA has expanded its face to the military community through an expansion of its Veterans Affairs Office, increased local outreach, and goaling in its district offices and participation in Department of Labor job seminars.

SBA provides programs and services for veterans and members of the military community wanting to establish or expand small businesses.

SBA has veterans' business development officers in district offices in every state and territory able to provide military community members full access to the SBA's range of programs and services. There are also five Veterans Business Outreach Centers located in Albany, N.Y.; Pittsburgh, PA; Lynn Haven, FLA; Edinburg, Texas; and Sacramento, Calif.

In addition to district offices, SBA's resource partners, SCORE, Counselors to America's Small Business; Small Business Development Centers; and Women's Business Centers provide local and online assistance with: writing a business plan, financing options to start or grow your business, managing the business, expanding the business and selling goods and services to the government.

For those who are already small business owners and who expect call-up, the SBA and its resource

partners have expertise to assist with preparing their businesses before deployment, managing their businesses, selling goods and services to the government, obtaining other SBA financing and financial assistance and obtaining loans for economic injury – Military Reserve Economic Injury Disaster Loans (MREIDL) – Loan of up to \$1.5 million are available for small businesses sustaining economic injury because an owner or essential employee has been called to active duty as a military reservist.

"More than 14 percent of businesses in America are owned by veterans and SBA is proud that we guarantee more than \$1 billion annually in loans for veteran-owned businesses," Administrator Preston said. "Veteran-owned businesses make significant contributions to the economy and because of the unique technical and leadership skills they acquire through military service, they can become successful entrepreneurs. As we celebrate Flag Day, we remember our military community and their patriotism on behalf of our grateful nation."

The SBA and its Office of Veterans Business Development (OVBD) provides comprehensive assistance, outreach, and support to veterans. Each year, the SBA assists more than 100,000 veterans, service-disabled veterans, and Reserve Component members.

and the Wisconsin Procurement Institute.

This site will become your first stop when looking for training sessions, conferences and seminars at the federal level but will also include state, local, and private activities when they pertain to small business improvement.

New Micro-Lender



L-R Eric Ness, William Largent, Craig Anderson and Jeff Bowman

Wisconsin's newest Micro-Lender, First American Capital Corp. (FACC), a subsidiary of the American Indian Chamber of Commerce of Wisconsin (AICCW), is the only Native American micro-lender in the Nation. FACC will operate as a micro-lender in all areas in Wisconsin where Native Americans reside. The loans are available to all Native Americans as well as others who qualify for the program.

On Friday, June 15, 2007, Jeff Bowman, President of FACC and Craig Anderson, Executive Director of the AICCW accepted a check in the amount of \$500,000 from Eric Ness, SBA District Director and William Largent, Director of SBA's Office of Native American Affairs that launched Wisconsin's newest SBA micro-lender.

The Chamber, located at 10809 W. Lincoln Avenue, Suite 102 in West Allis, Wisconsin, is also home to First American Capital Corp., where the micro-lending

Editor's Notes

TRAINING CALENDAR

Be sure to visit <http://web.sba.gov/calendar/public/index.cfm?op=group&grp=73> for business training opportunities offered by SBA, SCORE, Small Business Development Centers, Women Business Centers, Procurement Assistance Centers

applications will be processed. They will be able to make loans to eligible borrowers in amounts up to a maximum of \$35,000 under the Micro-Loan Program. The American Indian Chamber of Commerce of Wisconsin was established to help generate economic growth and wealth creation in Wisconsin Indian Country and FACC, with fifteen years of experience, has developed an acute awareness of the needs of the American Indian entrepreneur.

"Being an SBA micro-lender is an exciting opportunity for First American Capital Corp. and the American Indian Chamber of Commerce of Wisconsin. This compliments very well our current lending activities and allows us to become an even stronger economic development company for Wisconsin's Indian Country and other communities." Said First American Capital Corp. President Jeff Bowman. "FACC and AICCW already have a strong commitment to assisting Native owned businesses, but now we have another way to invest in them financially. We are thankful for our partnership with SBA and their confidence in our vision and plan and look forward to strengthening the Native business community with this powerful tool. On behalf of our Board and our members, I can say we are very proud of this accomplishment. "

"We are proud to have First American Capital Corp. and the American Indian Chamber as the only SBA Native American micro-lender in the Nation," said SBA District Director Eric Ness.

22nd Annual Small Business Awards Breakfast



**L-R SBA District Director
Eric Ness
Adrian Velasquez & Christine
Krause Fi-Med Management, Inc.**

This year's awards breakfast celebrated the accomplishments of six small business owners and six small business champions. Over 360 business owners, SBA business partners and their supporters acknowledged the contributions of these amazing contributors to the small business economy.

Our small business winners, Adrian Velasquez and Christine Krause, owners of Fi-Med Management, Inc. addressed the gathering and shared with the group their secrets of success. The staff of Fi-Med was sighted as a key component for the success of this business that supports independent physician's offices. Jody Glynn Patrick, our state Journalist, was also selected as the National Small Business Journalist and Associated Bank was selected for National recognition with the Lender in Excellence Award in the category of large lenders. Other winners honored were:

Honorable Mention Small Business Persons
John Monnett, Jr., Betty Monnett, and Jeremy Monnett, Sonex Aircraft

Small Business Exporter
Gene Anguil, Anguil Environmental Systems, Inc.

Minority Small Business Person
Jeff & Norb Dretzka, Underground Pipeline, Inc.

Emerging Small Business Person
James Freeman, Helicopter Specialties, Inc.

Minority Small Business Champion
Nelson Soler, Latino Entrepreneurial Network

Financial Services Champion
Barbara Ecklund, Suby, Von Haden Associates, S.C.

Women in Business Champion
Renee Walz, Western Dairyland

Small Business Legal Assistant
Meghan Shannon, Reinhart Boerner VanDeuren, s.c.

Homes Based Business Champion
Maggie Foote, Oaklawn Bed & Breakfast

Jeffrey Butland Family Owned Small Business
Joel Weitz, George Vitense Golfland, Inc.

2007 Lender's Conference



**Wisconsin SBA District Director
Eric Ness**

This year's Lenders Conference was held May 17 & 18, 2007 at the Chula Vista Resort in Wisconsin Dells, Wisconsin.

Over 250 lenders attended the conference and, from evaluations, the subject matter and the course work offered made for one of the best conferences yet.

The Golf Outing, that is always a great part of the conference, had 84 golfers this year.

The following received awards during the Conference:

Associated Bank
Charter Bank
Community Bank & Trust
Community First CU
Hometown Bank
M&I Marshall & Ilsley Bank
Park Bank – Holmen
Wisconsin Business Development Corporation
Wisconsin Women's Business Initiative Corporation

SBA is looking forward to next year's Lender Conference.

Standardized Lending Practices

Relationship lending – with lending decisions based on bank-firm relations-dominates lending between small businesses and their primary bank provider, according to a report issued today by the Office of Advocacy of the U.S. Small Business Administration. Competing sources of bank financing, which are primarily larger institutions, tend to use standardized or transactional techniques, such as credit scoring, when making lending decisions.

“Today’s report adds to a series of banking studies which show that smaller banks can successfully use relationship lending to maintain their market niche,” said Dr. Chad Moutray, Chief Economist for the Office of Advocacy. “At the same time, larger institutions’ use of standardized techniques works to provide additional access to credit. The result is a financial market that tends to efficiently allocate capital to small businesses.”

The study, *A Two-Step Analysis of Standardized Versus Relationship*

Bank Lending to Small Firms, written by Dr. Polly Hardee with funding from the Office of Advocacy, notes that “no conclusive evidence exists indicating that one lending technique dominates and improves credit availability.” Moreover, the author concludes that the financial market, “if allowed to function freely, efficiently allocates adequate financing to small firms regardless of the supplier’s lending methodology.”

The Office of Advocacy, the “small business watchdog” of the federal government examines the role and status of small business in the economy and independently represents the views of small business to federal agencies.

Congress and the President. It is the source for small business statistics presented in user-friendly formats and it funds research into small business issues.

IRS e-Newsletter

The IRS has started a news service, *e-News for Small Business*. Distributed every Wednesday, it brings timely, useful tax information right to your computer, including, but not limited to:

- Important, upcoming tax dates
- What's new on the IRS Web site
- Reminders and tips to assist businesses with tax compliance
- IRS news releases and special IRS announcements.

e-News” convenient format will put IRS tax information at your fingertips. “Useful Links” brings you quickly to some of the most useful information on IRS.gov for large and small businesses and the self-employed.

To start your FREE subscription to e-News, just go to IRS.gov at www.irs.gov/businesses/small/content/0,,id=154826,00.html, type in your e-mail address and submit.

Link to WI SBA May 2007 Loans

SBA May 2007 Micro-Loans

Wisconsin Women’s Business Initiative Corp.
 5 Loans for \$80,406

Regulatory Fairness Forum for Small Business Tuesday, July 10, 2007 Milwaukee, WI

Small business owners have an opportunity to discuss concerns about federal regulatory compliance and enforcement issues during this Forum.

www.sba.gov/idc/groups/public/documents/wi_milwaukee/wiregfair.pdf

Small business owners may testify during the hearing by registering in advance. Call Jan Nienow at (414) 297-1096 at the SBA Wisconsin District Office or send an e-mail to janice.nienow@sba.gov.

For more information, visit the Office of the National Ombudsman’s website at www.sba.gov/aboutsba/sbaprograms/ombudsman/index.html or call José Méndez at (202) 205-6178.